

1863

PROSPECTUS AND RULES

OF THE

CANADA

Permanent Building

AND

SAVINGS' SOCIETY.

INCORPORATED A.D. 1855,

PURSUANT TO ACT OF PARLIAMENT.

OFFICE:

MASONIC HALL, TORONTO.

1863.

CANADA
PERMANENT BUILDING

AND

Savings' Society.

CAPITAL,	\$730,000
INVESTED ON REAL ESTATE,	850,000
ANNUAL INCOME,	300,000

Board of Directors:

JOSEPH D. RIDOUT, President.

PETER PATERSON, Vice-President.

THOS. D. HARRIS,

S. NORDHEIMER.

J. G. BEARD,

EDWARD HOOPER,

J. G. WORTS,

ROBERT CASSELS.

E. C. JONES, Solicitor.

J. HERBERT MASON, Secretary and Treasurer.

OFFICE—Masonic Hall, North of the Post-Office,
Toronto Street, Toronto.

Shares, \$50 — each.

Paid up by Instalments in FOUR YEARS, after which, if invested in the Society, they become entitled to semi-annual or annual dividends.

1863.

TORONTO :

PRINTED AT THE GLOBE STEAM JOB PRESS, 25 KING STREET WEST.

PROSPECTUS.

HE objects contemplated in the formation of a Building Society and Savings' Institution on the improved or permanent system are twofold : first, to encourage the accumulation of Capital by securing to investors therein a remunerative rate of Interest, free from anxiety or doubt as to the safety of their funds, or the regular certainty of their returns ; and secondly, to provide a fund from which the owners of Real Estate may obtain loans on the security of their property. That these objects may be satisfactorily accomplished through the medium of those Institutions, has been successfully established in England and more particularly in America, where the immense tracts of land awaiting improvement, present such extensive fields for the employment of Capital.

The history of this Institution illustrates and confirms the correctness of this statement. Commencing its operations in 1855, the Subscribed Capital at the end of each of the first eight financial years stood as follows:

1855—Capital.....	\$214,200
1856 "	340,100
1857 "	401,700
1858 "	468,100
1859 "	517,550
1860 "	541,450
1861 "	602,750
1862 "	690,150

Taking a similar retrospect of the securities held, which, as indicating the amount of funds actually invested, may be considered a more certain index of progressive increase, a still more decided augmentation appears.

The Real Estate securities held by the Society at these periods were, in—

1855—Mortgages held on Real Estate...	\$ 65,600
1856 " "	... 114,670
1857 " "	... 160,000
1858 " "	... 223,038
1859 " "	... 328,000
1860 " "	... 426,365
1861 " "	... 687,155
1862 " "	... 816,000

The Profits of the Society are derived principally from the constant reproduction, at compound interest, through a series of years, of the poriodical instalments paid by borrowers and investors in their shares. There are, moreover, other sources of Profit, among which are the purchase, at less than the realized profits, of the shares of members withdrawing, fines for default, the

gain on the Deposit or Savings' Bank Branch, &c., &c., which increase the rate paid to investors without adding to the interest received from borrowers.

The annual dividends apportioned to Shareholders, after deducting expenses and making ample provision for future contingencies, have exceeded an average of 12 per cent. from the commencement, and notwithstanding the reduction made in the rates charged to borrowers, which may cause a somewhat lower rate to be paid in the future, it is believed that from the improved class of securities offered and consequent lessening of risk, no considerable diminution need be expected. The Society has already paid to shareholders for profits on matured shares and fixed stock, upwards of \$100,000, in addition to about one-half that sum which has been capitalized, and to a large amount paid as premium for shares which have been purchased from the holders before becoming due.

As originally constituted, Building Societies were designed exclusively for the working classes, but under the extended facilities granted by the Legislature, they have been confined to no particular portion of the community, and while mechanics still form no inconsiderable part of their membership, Investors of every grade from the wealthy possessor of several hundred shares, to the domestic servant who is able out of his or her monthly earnings to meet the instalments on a single share, have availed themselves of this mode of accumulating money with safety and profit.

Formerly, many persons were deterred from investing

in this Society, in consequence of there being no return made on its Stock for several years; the Society having been prevented by the terms of its charter from paying any portion of the Profits to Shareholders, unless the principal was also withdrawn. The attention of the Conductors of the Institution was early drawn to this subject, and being desirous of extending as generally as possible the benefits afforded by the Society, they originated and aided in procuring the passage of an Act, which entirely removes this objection, by permitting Members to capitalize their Shares when paid up in full and matured, after which, they become entitled to yearly or half-yearly dividends. As now constituted, it is believed that a lender can invest his capital through the medium of this Institution, at least as profitably as, and more satisfactorily than by a direct transaction with the borrower. He relieves himself from the trouble of having to investigate the title to the property offered in security, or the risk of its proving defective; from all concern as to the ability or inclination of the borrower, to meet his engagements punctually; from the importunities of improvident or unfortunate debtors; from being obliged to consent to delays and indefinite extensions, with the knowledge that, presuming on his forbearance, opportunities for making timely provision have been neglected; or, from the unpleasantness, anxiety, and uncertainty of a law suit. All these contingencies, and many more, are provided against, or assumed by the Society.

Nor are the advantages alone to the Investor. With-

out encouraging visionary expectations of obtaining money at the low rates of interest current in older and wealthier communities, this Society affords a mode of repayment which enables the borrower with ordinary exertion and forethought to redeem his property by the payment of the mortgage debt in small instalments derived from the produce of his industry. The payment required by the Society of $16\frac{1}{2}$ per cent. per annum, which pays off both principal and interest of the loan in 10 years, is little more, and, in some cases, even less, than has frequently been paid for interest alone. The Borrower applies to the Institution as a matter of right, and chooses his own time for redemption, with the assurance that he is giving fair value for what he receives, and therefore in nowise compromises his independence; that, by promptly meeting the small periodical payments on his Shares, which no individual Mortgagee would accept, he is gradually paying off his Mortgage; that he is not subject to the caprice of any individual who may sacrifice his property by enforcing payment unexpectedly; and that should he wish to sell, exchange, or redeem his property, he can at any time accomplish his purpose on certain equitable principles.

Shares in the Society are FIFTY DOLLARS each, and are paid up by instalments payable monthly or otherwise, in advance, spread over four years. New Members may join at any time, and their subscriptions commence from the time of entrance. The monthly payment for each share is one dollar, together with an entrance deposit of two dollars, making the total payments fifty dollars

no return
ty having
om paying
unless the
on of the
own to this
nerally as
hey origi-
f an Act,
ermitting
up in full
to yearly
ed, it is
through
fitably as,
tion with
rouble of
ffered in
from all
borrower,
e impor-
rs; from
ite exten-
his for-
sion have
anxiety,
ngencies,
umed by

With-

per share. Shares may be wholly or partially paid in advance, and a liberal discount or an equal credit afterwards is allowed on payments so made. If paid up in full at the time of subscribing, the amount to be paid for a share to mature in four years, is \$43, which entitles the holder to the amount of a share of fifty dollars, with the accumulated profits thereon at maturity. When a share thus becomes due and payable, the amount thereof may, at the option of the holder, be withdrawn from the Society or reinvested therein, either for four years as before, or as fixed or Permanent Capital, under the provisions of the law recently passed. If invested as fixed capital, the holder will be entitled to draw a periodical dividend, payable annually or semi-annually, as the Directors may find by experience to be most beneficial. Shares converted into fixed Stock, become permanently invested in the Society, but may be sold and transferred, and it is believed that the unquestionable securities on which the business of the Society is based, together with the reasonable prospect of a regular and remunerative dividend, will present such inducements to investors as will at all times, in the future as it has in the past, secure for the Stock a ready sale in the market.

It is a remarkable fact, and furnishes unquestionable evidence of the appreciation in which the Institution is held by its shareholders, that, with regard to every share which has yet matured, when the option is presented to the holder of withdrawing his capital or permanently fixing it in the Society's Stock, the latter alternative has been adopted.

In regard to Shares taken up for four years, it should be observed, that, provided the profits of the investment are not relied on as a source of income, there is no disadvantage to the shareholder in not receiving his portion of them, in the shape of an annual or a semi-annual dividend, as the profits are added to the principal half yearly by the Society, which thus charges itself and credits the shareholder with any gain which a reinvestment of the dividend would have produced; and this is constantly performed by the Institution, without thought or care on the part of the shareholder, who would otherwise incur the trouble and risk of making the investment himself.

Members who wish to discontinue their subscriptions on accumulating shares, and to withdraw what they have invested, are permitted by the rules to receive back what they have paid in, with compound interest thereon at six per cent. per annum. The Directors are, however, authorized to allow more than six per cent., and have from time to time added very materially to that rate. As Shares approach their maturity, a premium on withdrawing more nearly approximating to the actually realized profits may be confidently relied on.

The funds of the Society are invested in loans on mortgage under the supervision of a Board of Directors chosen annually by the Shareholders from among themselves; and in order to guard against the fluctuations to which property in this country is liable, a margin of from 100 to 300 per cent. and upwards, is maintained in the value of real estate, held in security. By adher-

ing to this rule, and by carefully selecting its investments—more than seven-eighths being improved farms—the Association has satisfactorily passed through a crisis of great severity, which has shaken many older establishments, and severely tried the financial resources of the Province. The success of the Institution is now no unsolved problem. During the past years of its existence, the comparatively large amount of business it has been the medium of transacting, is evidence of its adaptation to the wants of the country, both as an accumulating and dividend-paying investment, and as a means of obtaining loans. Its Prospectus, Rules, and Annual Reports are freely circulated; inquiry into its nature, objects, system, and management is cordially invited, in the full assurance, that the principles on which it is conducted, give this institution peculiar advantages as a successful and reliable intermediary between the possessor of capital, whether in large or small sums, and the landed proprietor who may require to borrow.

Persons residing out of Toronto, desirous of purchasing, transferring, or subscribing for shares, can do so by Power of Attorney, blank forms for which may be obtained from the office.

DEPOSIT BRANCH.

Temporary Deposits from shareholders or others, subject to withdrawal, may be made with the Society, which affords all the advantages of a SAVINGS' BANK, together with an increased rate of interest and more accommodating terms than these institutions generally allow.

The whole Capital of the Society is pledged for the security of money received on deposit, and being all invested on Real Estate, no safer guarantee can be given or required.

Perhaps in nothing is the increasing public confidence more clearly exhibited than in the gradual development of the Deposit Branch, as shewn by the following figures:—

The Deposits held at the end of each financial year to 1862 inclusive, were—

1855	—Deposits held.....	\$ 32,952
1856	" "	50,530
1857	" "	50,037
1858	" "	63,357
1859	" "	68,081
1860	" "	99,506
1861	" "	151,091
1862	" "	182,991

Deposits are received and interest allowed as follows : On sums of from \$¹⁰ to \$100—repayable on demand—5 $\frac{3}{4}$ cent.

" " " 40 to 400 " on 30 days' notice, 6 "

" " " 400 to 800 " " 60 " 6 "

" " over 800 90 " 6 "

Interest is payable half-yearly, in January and July.

SPECIAL DEPOSITS AT 7 PER CENT.

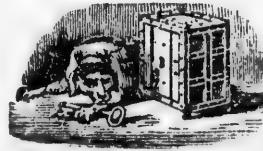
The Society receives money in sums of one or more hundreds of dollars, for which Deposit Certificates are issued, repayable after one year's notice, and bearing interest at 7 per cent. per annum payable half-yearly.

12 CANADA PERMANENT BUILDING & SAVINGS' SOCIETY.

These Certificates are transferable and payable to bearer, and it is believed will be easily convertible on the market, if the holder desires to realize without giving the required notice.

In order to insure perfect security to Depositors the Legislature has provided that the whole amount of deposits held shall never exceed in amount three-fourths of the paid-up capital actually invested in Mortgages on Real Estate. It will be observed, however, that the amount held by this Institution scarcely reaches one-half the prudent limit fixed by Law.

Tables of Rates for Loans, and any further information may be obtained on application (if by letter post-paid) at the Society's office.



SOCIETY.

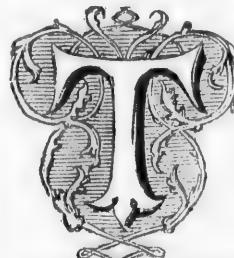
payable to
nvertible on
ize without

depositors the
amount of
three-fourths
Mortgages on
er, that the
reaches one-

her informa-
y letter post-

RULES.

NAME AND OBJECTS OF THE SOCIETY.



HIS Society shall be called the "CANADA PERMANENT BUILDING AND SAVINGS' SOCIETY," and the intents and purposes for which it is established, are to assist the members thereof in the acquisition of freehold or leasehold property; in the erection of buildings, and otherwise improving the same; and in the removal of incumbrances or liabilities upon property already held by them; and to enable them to receive the amount of their shares in advance, upon furnishing good mortgage security; and to facilitate the accumulation and the borrowing and redemption of capital.

UNADVANCED SHARES—MODE AND TIME OF PAYMENT.

II.—The Capital Stock of the Society shall consist of the unadvanced shares of the members thereof, either fully paid up and invested as fixed or permanent capital, or in course of accumulation.

Each member shall pay thereon, a monthly subscription of one dollar per share for and during the full term of four years, or four dollars per share for one year, to

commence and be paid on and from the first day of any month in or after which he shall be admitted in respect of each share, and shall also pay on entering a deposit of two dollars per share, making the total payments on each unadvanced share FIFTY DOLLARS. After each share shall have been fully paid up, the amount so paid with the net accumulated profits thereon, shall be due and payable to the holder thereof, and may then either be withdrawn from the Society, or invested therein as fixed or permanent capital.

III.—All persons upon taking Stock in the Society, shall sign the rules, in a book to be kept for that purpose, and shall then elect the term in which such share or shares shall be paid up. The time for which shares may have been originally taken up, may on the application of the holder thereof be changed to any other time on such terms as the Directors may from time to time determine. And the Directors shall have the power from time to time to limit the number of new shares taken, or to charge a premium thereon, such premiums to form a part of the general funds of the Society.

IV.—Monthly subscriptions, and all re-payments, fines, and other payments, shall be paid at the Society's office, on the first day of every month, or when the first day falls on Sunday, or a legal holiday, then on the day following, or to any of the Society's agents, three days previously, until otherwise ordered by the Directors.

SHAREHOLDERS PAYING IN ADVANCE.

V.—Shareholders making an immediate deposit of money, for the purpose of meeting in advance their monthly dues, shall be allowed interest on the amount so deposited, or so much thereof as shall remain after deducting instalments due at the rate of six per cent. per annum, or such lower or higher rate as the Directors may from time to time determine; or shareholders paying any certain number of monthly subscriptions in advance, may, with the consent of the Directors, be allowed a like number of additional months' credit without being subject to fines.

POWER TO BORROW OR RECEIVE MONEY ON DEPOSIT.

VI.—The Directors are authorized to borrow money for the use, and on the assets of the Society; to receive money on deposit, in large or small sums, and to pay such interest therefor, and under such regulations as they may, from time to time, deem advisable: and to loan or invest such money, either on mortgage of real estate, or in any other way they may think best for the interests of the Institution.

APPLICATION OF FUNDS.

VII.—All moneys which shall from time to time be subscribed, paid or given to or for the use or benefit of the Society, or which shall in any wise belong to the Society shall, after providing for the payment of the expenses and liabilities of the Society, be appropriated

and applied in paying off such shares as shall have become due and payable to the holders thereof, in the purchase of such shares as members may desire to withdraw, and in loans or advances to the several members. Should the funds of the Society not be taken up by the members at the usual rates charged by the Directors, such funds may be otherwise invested for the benefit of the Society at the discretion of the Directors, of which members may nevertheless avail themselves.

DIVISION OF PROFITS.

VIII.—Hereafter, the financial position of the Society shall be ascertained on the 31st of December, in each year, and the profits and losses shall then be apportioned equitably and equally between the investing members, in proportion to the value of their shares, and the time for which they shall have been members, in respect thereof. But, if the Directors shall consider it for the advantage and well-being of the Society to set apart a portion of such profits for contingencies, they shall have the power to do so, and the same shall form a part of the general funds of the Society. Such portion of the net profits thus ascertained and apportioned as shall appertain to shares which shall not have been fully paid up, shall be placed to the credit of such shares, to be payable together with the principal sum on their becoming due, and such portion of the net profits, thus ascertained and apportioned, as shall appertain to shares which shall have been fully paid up and invested as

fixed or permanent capital or shares in the Society, shall be payable to the holder of such share or shares. And if the Directors shall in their discretion see fit to declare a dividend at a semi-annual period, or to make a less reservation for contingencies on shares which, when paid up, shall be invested as fixed or permanent capital, than on such shares, as when paid up or due, are withdrawn from the Society, they shall have the power to do so. And on shares becoming due during the currency of any year the same proportion of profits shall be payable, as would have been paid at the date of the previous annual statement, unless in the opinion of the Directors, there are circumstance which render advisable an increased or decreased amount.

TRANSFER OF SHARES.

IX.—Any shareholder may transfer his share or shares by causing an entry of such transfer to be made in the books of the Society, in such manner as the Directors may appoint, and upon payment of the sum of fifty cents, for each transfer, and thereupon the transferee (after signing the rules) shall be entitled to all the privileges of the original shareholder.

WITHDRAWAL OF SHARES.

X.—Any member being desirous of withdrawing from the Society, part or the whole of his unadvanced shares, provided such shares shall not have been invested as fixed or permanent capital, may, at the discretion of the Directors, be allowed to do so, and may receive back the

net amount of his monthly subscriptions paid up, with compound interest at six per cent. per annum, calculated half yearly, deducting any fines, interest, or forfeiture due or paid thereon. Provided that no member shall be entitled to receive interest on any share on which less than six monthly subscriptions shall have been paid. But the Directors may pay a higher rate of interest than six per cent. to members withdrawing, if they think it advisable to do so.

XI.—In case of the death or insanity of a member before receiving an advance, and upon the application of the legal representative of such deceased or insane member, to withdraw from the Society, such representative shall be entitled to a preference before ordinary members, and to withdraw at any time, and to receive back the amount of subscriptions or Shares which such deceased or insane member may have paid to the Society, less all fines and fees due and unpaid by the insane or deceased member at the time of his seizure or death, with the interest thereon, as herein before provided.

REGISTER OF SHAREHOLDERS.

XII.—The name and place of abode of each Shareholder, shall be entered in a registry book, to be kept for the purpose ; and any member changing his residence shall, within one calendar month thereafter, give notice, in writing, to the Secretary of such change, and of his new place of abode and address, or in default therof, be fined fifty cents.

up, with calculated forfeiture
ber shall
which less
en paid.
rest than
think it

member
cation of
ne mem-
entative
members,
back the
deceased
, less all
deceased
with the

Shares
be kept
sidence
notice,
l of his
rclef, be

XIII.—In case of the death or insanity of any member, the legatee or legal representative of such member shall, before becoming entitled to the privileges of an original shareholder, procure his place of abode and the particulars of his title to be registered in the books of the Society, or in default thereof for one month shall pay a fine of fifty cents, and shall at the same time exhibit the will or probate thereof, or grant of letters of administration or other document, (as the case may be,) for the inspection and satisfaction of the Directors, and pay for such registry the sum of fifty cents.

MODE OF OBTAINING AN ADVANCE OF MONEY.

XIV.—Any member entitling himself to an advance of a Share or Shares, shall give notice, in writing, to the Secretary, of the situation, tenure, description, and full particulars of the property proposed to be mortgaged by such member to the Society, in such form as the Directors shall prescribe; and shall deposit with the Secretary all necessary title deeds and documents relating thereto, and also such sum as the Secretary may consider requisite to meet any necessary expenses. Should any Shareholder decline to take up the amount awarded him, or fail to complete the necessary securities to the satisfaction of the Directors within one month, such member shall pay a fine of fifty cents per Share, whether any deposit has been made or not; and the Directors may otherwise dispose of the money granted to such member.

ADVANCES—HOW MADE AND ON WHAT SECURITY.

XV.—The Directors shall have the power to regulate the amounts applicable for advances, the time and manner of making the same, the interest and bonus payable thereon, and the time and amount of the re-payments to be made in respect thereof.

The repayments on advanced Shares shall be for a fixed period, in respect of each share, and shall not be liable to the contingency of losses or profits in the business of the Society, and after a share has been advanced to any member, he shall take no part in the management of the affairs of the Society in respect thereof.

XVI.—The Directors may accept property situated anywhere within the limits of that part of the Province formerly Upper Canada, or the unadvanced Shares of any member of the Society, as security for loans.

XVII.—All mortgage deeds and securities to the Society shall be prepared in such form, and contain such clauses, provisoies and agreements as the Solicitors for the Society shall think fit, with the approval of the Directors; and that in case the mortgagor shall at any time or times, neglect or refuse to pay his re-payments, fines, fees, or other payments, for the space of six months successively, then the Directors may, either with or without the concurrence of the mortgagor, appoint a person, or persons, with such salary or commission as they may think proper, to collect the rents and profits of the mortgaged premises; with the same power of en-

forcing payment as the mortgagor himself may possess ; also, power to sell and dispose of such premises, by public auction, or private sale, when the Directors shall think proper. And that in case the mortgagor shall be himself the actual occupier of such mortgaged premises, then the mortgage deed may contain stipulations that he shall become tenant to the Society, at a fair rent to be named in such deed ; and the Directors shall have power to distrain as between landlord and tenant. And the Directors shall have the power to make such arrangements for the repairing or keeping in repair, or for finishing or putting in order, any buildings or other improvements, or for taking care of, and managing generally, the mortgaged property, as they shall deem expedient ; and all charges or expenses attending the same, shall be paid by the mortgagor, and shall be a charge upon the mortgaged property. And when any sale shall take place of any property mortgaged to the Society, the Directors shall have power to retain and apply so much of the purchase money as will be necessary to pay the same sum as would be required to redeem the property, pursuant to the provisions contained in these rules ; together with all other payments, moneys and expenses due to the Society, and to pay the surplus thereof to the mortgagor.

INSURANCE OF MORTGAGED PREMISES.

XVIII.—All property, secured to the Society, consisting of buildings, shall be insured by the mortgagor,

if required by the Directors, in such sum and office as they shall think advisable: and the policy or policies shall be in the name of, or shall be assigned over to the Society. In case any member, having executed a mortgage to the Society, shall make default in payment of the expenses which may be incurred, in and about insuring, and keeping insured, the mortgaged premises, or of the ground rent or other payments to which the said property may be subject, pursuant to the covenant in the mortgage deed, he shall pay a fine of one dollar; and if default shall continue beyond one monthly subscription day, he shall pay in addition such fine as he would have incurred for the non-payment of an equal amount of repayments, at the time appointed for the payment thereof; the Society not to be responsible for any consequences arising from any omission in the payment of the premium, or other payment due on any Policy of Insurance.

XIX.—Every member executing a mortgage to the Society shall, if required at the time of such execution, give to the Secretary a written statement of all such particulars relating to the property comprised in such mortgage, as are usually required by Insurance Companies; and if at any subsequent period any trade shall be commenced, or erection made, or other matter or thing shall take place which would in any way affect the validity of the Policy of Insurance, the like statement shall be given; and the member neglecting to give such statement shall pay a fine, at the discretion of the

Directors, of not more than twenty-five cents, but not less than three cents per week for each Share; and the Directors shall, if they think fit to do so, at least once in every year, appoint some competent person to obtain all the information he can with respect to trades, &c., carried on in and about the mortgaged premises, and to report to the Directors accordingly.

XX.—In case of damage by fire, the Directors shall receive, from the Insurance Office, the amount payable in respect of such damage; and the receipt of the Secretary and Treasurer of the Society, shall be a sufficient discharge, to the Insurance Office, for the money therein expressed to be received; and the Directors shall have full power to settle and adjust with the Insurance Office any question relating to such insurance, and to accept the amount to be paid by the Insurance Office, in respect to the damage done to the premises; or to make such arrangements with the Insurance Office as to the rebuilding or repairing of the said premises, or relating thereto, as the Directors shall think reasonable.

XXI.—The Directors shall, at their discretion, either lay out the money which shall be received from any Insurance Office as aforesaid, or any part thereof, in repairing the damage done to the premises; or retain and apply the same, or such part thereof, as they shall think fit, in or towards payment and satisfaction of the amount which shall be due from the mortgagor to the Society, and pay the surplus, if any, to the mortgagor,

or to such other person as he shall (by writing) direct to receive the same.

SALE, EXCHANGE, OR REDEMPTION OF PROPERTY MORTGAGED.

XXII.—If any member who shall have executed a mortgage to the Society, shall desire to sell the mortgaged property, subject to the mortgage, he shall be at liberty so to do, with the consent of the Directors, upon first duly transferring the shares secured by such mortgage, to the intended purchaser, in manner provided by these rules; and upon such transfer being completed, and all arrears due to the Society, from the mortgagor, being paid, and the conveyance to the purchaser executed, such purchaser shall thenceforth become liable to pay all repayments payable in respect of such Shares; and the Directors may grant to the original mortgagor, and at his cost and charges, a release from all future liability in respect thereof.

XXIII.—It shall be lawful for any member, having executed a mortgage in favor of the Society, to substitute, at his own expense, and subject to the approval of the Directors, any other property, as security to the Society, in lieu of the property originally mortgaged.

XXIV.—If any member shall desire to have his property discharged from a mortgage to the Society, before the expiration of the full term for which it has been taken, he shall be allowed to do so on payment of

all repayments, and any fines, fees and other sums due in respect thereof, up to the time of the redemption of such mortgage, and of the present value of the future repayments, calculated to the end of the term, and discounted at such rate of interest, and on such terms as the Directors may determine.

XXV.—On the redemption of any security by a member, or when all repayments have been made by him on advances pursuant to these rules, a full discharge of such security shall be executed, and the same shall be delivered to such member, with all other deeds and documents deposited by him in connexion with such security; and such discharge shall be prepared, and the necessary signatures obtained, and any matters relating thereto transacted, by the Solicitor to the Society, at the expense of such member.

FINES.

XXVI.—The fines for the non-payment of the monthly or other repayments or subscriptions on advanced or unadvanced shares on the day on which the same are made payable by the rules of the Society, or of any other moneys whatsoever, due and payable by any member, shall be at the rate of two cents in the dollar per month, on the amount due, and the same shall accrue and be payable immediately after the monthly subscription day, and shall be chargeable to such member until all arrears are paid. When the fines on unadvanced shares shall equal the amount of

subscriptions paid thereon, such share or shares, and the interest of any member in respect thereof, shall be forfeited to the Society. Provided that after any share shall be in default, the Directors shall have power to recover from such shareholder the amount due to the Society by an action of debt in any court of competent jurisdiction.

BANKING ARRANGEMENTS.

XXVII.—The Directors may make such arrangements with any of the Chartered Banks doing business in the City of Toronto, for the deposit of moneys and securities belonging to the Society, and for conducting other financial matters, as they shall, from time to time, deem necessary.

XXVIII.—No moneys shall be drawn from the Bank without the signature of the President, (or in case of his absence or illness, of the Vice-President,) and of the Treasurer.

GENERAL MEETINGS.

XXIX.—A general annual meeting of the members shall be held at the office or rooms of the Society, or such place as the Directors may appoint, on the first Wednesday in the month of February, in each year, for the purpose of electing four Directors to serve for the ensuing two years, and for all other general purposes relating to the management of the Society; and at each of the said general annual meetings shall be

submitted a full and clear statement of the affairs of the Society for the year ending on the thirty-first day of December previous.

XXX.—Extra general meetings of the members of the Society may be called by the Directors, upon the members being notified of such meeting, through the Post-Office, or otherwise, at the discretion of the Directors. Any ordinary or special meeting of the members or Directors may be adjourned, from time to time, and such business may be transacted at such adjourned meetings as might have been transacted at the original meetings from which the adjournment took place.

VOTING.

XXXI.—The election of Directors shall be by ballot, and at such election, any member either personally present, or represented by any other member as his proxy, shall be entitled to vote according to the following scale:—

For 1 Share.....	1 Vote.
" 2 or 3 Shares.....	2 Votes.
" 4 or 5 "	3 "
" 6 or 7 "	4 "
" 8 or 9 "	5 "
" 10 or 11 "	6 "
" 12 or 13 "	7 "
" 14, 15 or 16 "	8 "
" 17, 18 or 19 "	9 "

For 20 to 24 Shares.....	10	Votes.
" 25 to 29 "	11	"
" 30 to 34 "	12	"
" 35 to 40 "	13	"

And 1 vote additional for every ten shares over forty.

Provided that no member shall be entitled to more than one hundred votes, nor shall act as proxy for more than twenty-five other members, and that no member shall vote at the election of Directors, or on any other question in respect of any share, within three months after he shall have been admitted in respect thereof, and on which less than three monthly instalments shall have been paid.

XXXII.—All questions at the annual or other general meetings of the Society, except the election of Directors as before mentioned, and except as provided by statute, shall be decided by a majority of the members holding unadvanced shares, either in person or by some other member as his proxy represented at the meeting; the Chairman of any meeting, either of the Directors or members, to have a casting vote in addition to his vote as a member or Director.

DIRECTORS.

XXXIII.—The affairs of the Society shall be under the control and management of a Board of eight Directors (of whom five shall form a quorum for the transaction of business), who shall hold not less than twenty-five unadvanced shares each; and who shall choose from

among themselves a President and Vice-President. No Director shall hold the office of Treasurer, Surveyor, or Solicitor of the Society. The Directors shall be elected for the term of two years, four to retire annually, but shall be eligible for re-election : the four who shall retire at the first annual meeting of the Society, to be decided by lot, as the Directors may determine.

XXXIV.—The Directors elected at the formation of the Society, or hereafter to be elected, shall continue in office till the election of their successors, unless in case of disqualification or resignation.

XXXV.—The Directors shall, at a special meeting to be called for that purpose, or at any other meeting, if all the remaining Directors be present, have power to fill up any vacancy that may arise in their own body in the course of the term of two years, or in any office of the Society, by a vote of not less than two-thirds of the Directors present ; and the Board shall have power to make any By-Laws and Regulations for the guidance of the Society, its Officers, Agents, and Shareholders, provided that such regulations are not inconsistent with the general rules or the Acts under which the Society is incorporated.

XXXVI.—In the absence of both the President and Vice-President, the Directors present, at any meeting of the Board, shall have power to appoint a Chairman *pro tem.*, and with such Chairman shall be competent to transact the business of the Society.

XXXVII.—If any Director shall die, or resign, or become incapable to act as Director, or become bankrupt, or insolvent, or compound with his creditors, or cease to hold the required number of unadvanced shares, or be removed from his office by a resolution of a special general meeting of the members, or shall for three months successively be absent from the meetings of the Board, without the consent of the Directors, he shall thereupon cease to be a Director of the Society; and the Directors may appoint another member of the Society to be a Director in his place, as hereinbefore provided; and no Director shall, at any meeting of the Board, take part in any discussion, or vote on any question in which he shall be personally interested.

XXXVIII.—The Directors shall be remunerated at the sum of two dollars each for each Board or Committee meeting they may respectively have attended on the business of the Society, and shall be indemnified out of the funds of the Society, or otherwise, from all expenses in reference to the formation, conduct, and management of the Society.

SOLICITORS.

XXXIX.—One or more Solicitors shall be appointed, who shall transact such necessary business of the Society as the Directors may require, for which he shall receive a fair and reasonable allowance.

XL.—The Solicitor shall investigate the title to any property offered by any member as security to the So-

ciety, and shall in all cases render to the Directors a report, in writing, whether such title be deemed by him good and sufficient for the purposes of the Society ; and shall prepare all necessary mortgage deeds and instruments in favour of the Society. The Solicitors and Surveyor's fees and other charges shall, in all cases, be paid by the member on whose account they may be incurred.

SECRETARY AND TREASURER.

XLI.—A Treasurer shall be appointed, who shall also perform the duties of Secretary, and who shall be empowered to receive and pay all moneys for and on behalf of the Society, and his receipt shall, in all cases, be a sufficient discharge ; and he shall deposit with the Bank all such moneys as he shall have on hand, when they amount to \$100. He shall attend all meetings of the Directors or members of the Society : enter minutes of all resolutions or proceedings in the minute-book, and shall keep the accounts in order,—in proper books to be provided for that purpose,—and prepare the same, or a balance-sheet thereof, for the inspection and signature of the Auditors. He shall summon the Directors to all meetings (by circular), and issue all circulars and notices to members which may, from time to time, be thought necessary by the Directors ; conduct the correspondence of the Society, and perform all other duties that the nature of his office may require.

XLII.—The proceedings of the Society shall be

entered in a minute-book, in detail, in such manner as the Directors may, from time to time, direct; such entries, to be signed by the President, Vice-President, or Chairman, as well as by the Secretary and Treasurer.

SURVEYORS.

XLIII.—One or more Surveyors may, from time to time, be appointed, who shall survey and examine the property offered by any member of the Society, if the Directors shall consider it necessary, and shall in all cases render, at the Society's office, a report, in writing, to the Directors, of the value and state of such property, in such form as the Directors shall prescribe, and who shall be paid such fees as the Directors shall think reasonable.

CHANGE OF OFFICERS.

XLIV.—Neither the Solicitor, nor Secretary and Treasurer, shall be removed from their respective offices except for misconduct or inability; and then only at a meeting specially convened for that purpose, and by a majority of the whole Board of Directors; and in case of a removal or resignation of such officer or officers, the Directors shall proceed to elect other fit and proper persons in his or their stead, as hereinbefore provided. Either of the said officers having been removed from office by the Directors, shall be at liberty to appeal to a special meeting of the Shareholders, to be called for that purpose, and he shall be reinstated in office if three-

fourths of the members present at such meeting shall vote for such reinstatement.

INSPECTION OF ACCOUNTS AND APPOINTMENT OF AGENTS.

XLV.—The Directors shall, from time to time, inspect the books and accounts kept by the Secretary; and shall have power to appoint agents to transact any business for the Society, and to pay them out of the funds of the Society such remuneration for their services as they shall think reasonable; and subscriptions or repayments may be paid by members to such agents at the time hereinbefore provided; and such agents shall transmit the same, with an account to the Secretary, before four o'clock on the monthly subscription day, or pay such fine as the Directors shall think proper.

AMALGAMATING WITH OTHER SIMILAR SOCIETIES.

XLVI.—The Directors shall have power to make such arrangements as they may deem advisable with any Building Society wishing to become incorporated with this Society, and to allow to the members of such Building Society all the privileges of original shareholders in this Society, on such terms as the Directors may consider safe and equitable, subject to the confirmation, amendment, or disallowance of a special meeting of the Shareholders, to be called for that purpose.

WHEN AND HOW THE SOCIETY MAY BE DISSOLVED.

XLVII.—No dissolution of this Society shall take

place unless its affairs be deranged, or its principles prove inadequate to promote its objects, or its funds be insufficient to meet the claims, or from any other such cause, rendering the dissolution absolutely necessary, and then only by a vote of at least two-thirds of the members present, either in person or by proxy, at a special general meeting to be called for that purpose.

CONSTRUCTION OF RULES.

XLVIII.—In the practical application of these Rules or any rules hereafter to be made in virtue thereof, the construction put upon them by the Board of Directors shall be final and conclusive. Every word in the singular number shall be applicable to the plural, and every word importing the masculine gender shall, where necessary, be understood to mean a female as well as a male, unless there be something in the subject-matter or context repugnant to such construction.



ANNUAL STATEMENT 1862.—CASH ACCOUNT FOR THE YEAR 1862.

ANNUAL STATEMENT 1, 1862.	\$ C.	\$ C.
Rt CHAPS.		
Balance 1st January 1862.....	7,551 31	Advances secured by Mortgage on Real Estate.
Payments on Mortgages.....	252,031 01	109,476 88
“ on Investing Shares.....	91,352 89	20,994 65
Deposits.....	131,897 55	Stock purchased and cancelled.....
Principal and Interest on Investments.....	1,898 95	13,473 10
Payments on account of Property Sold.....	14,366 79	Dividends on Matured Shares.....
		26,092 22
		on Capital Stock.....
		1,200 00
		Vote of General Meeting to the President.....
		“ Directors.....
		Incidental Expenses, including Rent, Taxes,
		Fuel, Salaries, Stationery, Printing, Adver-
		tising, &c., &c.....
		Disbursements on account of Members on
		Mortgage Property.....
		Office Furniture.....
		Balance.....
		7,461 57
		9,453 83
		75 68
		23,142 57
		<u>\$498,898 50</u>

SEVERAL ASPECTS OF ASSETS AND LIABILITIES.

TO BORROWERS.

The Society makes advances to members on the security of Improved City or Country Property, repayable by instalments, covering principal and interest, spread over any number of years, from one to ten, the borrower chooses.

The repayments to the Society are made according to the following

REDUCED LOAN TABLE.

MONTHLY REPAYMENTS ON AN ADVANCE OF 2 SHARES, OR \$100, TO BE PAID OFF IN

YEAR.	2 YEARS.	3 YEARS.	4 YEARS.	5 YEARS.	6 YEARS.		8 YEARS.		9 YEARS.		10 YEARS.	
					1.94	2.21	1.74	1.59	1.47	1.38		
\$8.87	4.70	3.31	2.63									
THE AMOUNT TO BE PAID IN EACH YEAR BEING												
106.44	56.40	39.72	31.44	26.52	23.28	20.88	19.08	17.64	16.56			

NOT LESS THAN \$100 AND NO FRACTION OF \$100 IS ADVANCED.

Both principal and interest are included in the above instalments, so that at the expiration of the time specified, if these have been regularly paid, the property will be clear and the mortgage returned. No Bonus Commission or Management Fee is charged.

The instalments are presumed to be paid monthly, but the Society allows members paying in advance interest on the amount so paid, or an equal credit afterwards; thus enabling farmers and others, to whom monthly payments would be inconvenient, to pay by HALF-YEARLY or YEARLY instalments. Borrowers may so arrange their periodical payments as to have them fall due at the time most convenient for them to pay, and can vary the intervals of payment at pleasure.

Sums of any amount will be at all times received by the Society and applied towards the liquidation of the mortgage debt, and interest will be credited on all money's paid one or more months before becoming due.

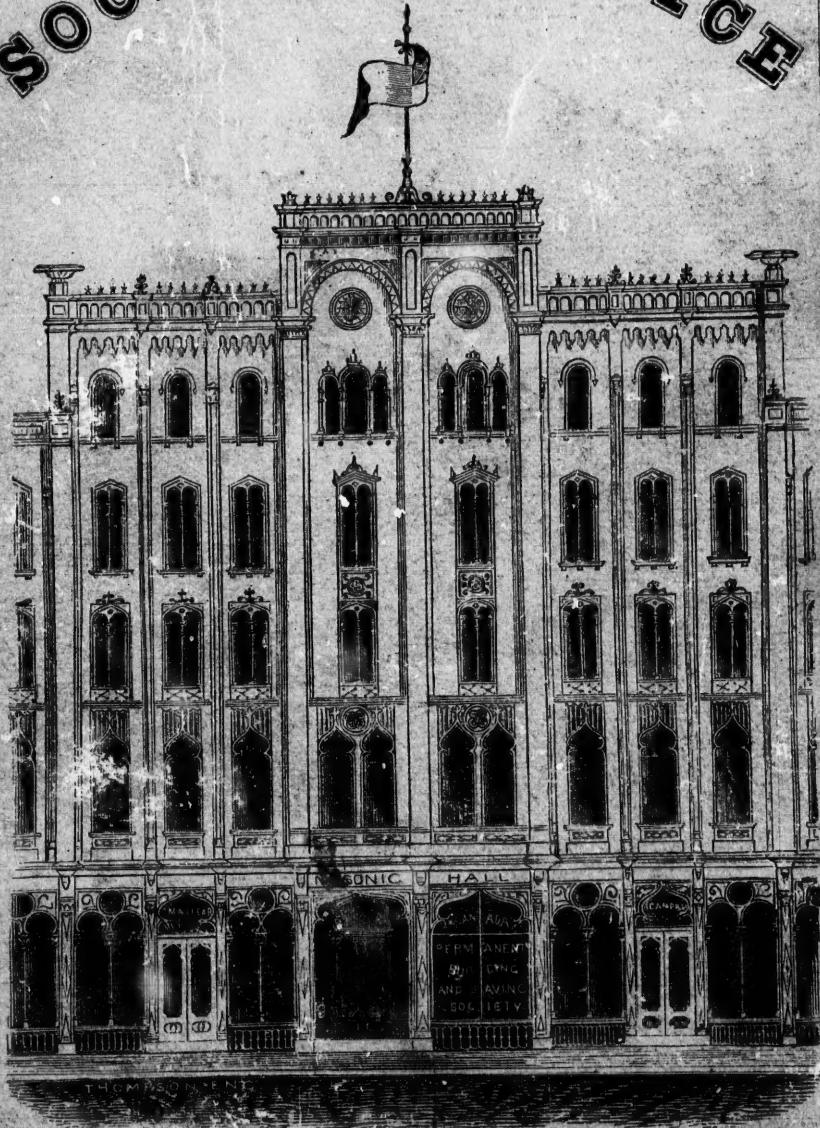
Borrowers are permitted to sell or exchange the property mortgaged, or will be allowed a liberal discount if they redeem the mortgage before it becomes due.

Further information may be obtained from the Secretary.

debt, and interest will be credited on all money's paid on the property mortgaged, or will be allowed a liberal discount in case
Borrowers are permitted to sell or exchange the property mortgaged before it becomes due.

Further information may be obtained from the Secretary.

SOCIETY'S OFFICE



TORONTO STREET, TORONTO.